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#### DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-084]

Certain Quartz Surface Products from the People's Republic of China: Initiation of Less-Than-Fair-Value Investigation

AGENCY: Enforcement and Compliance, International Trade Administration, Department of

Commerce.

DATES: Applicable May 7, 2018.

FOR FURTHER INFORMATION CONTACT: Andrew Medley or Whitley Herndon at (202) 482-4987 or (202) 482-6274, respectively; AD/CVD Operations, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230.

#### SUPPLEMENTARY INFORMATION:

## The Petition

On April 17, 2018, the U.S. Department of Commerce (Commerce) received an antidumping duty (AD) Petition concerning imports of certain quartz surface products (quartz surface products) from the People's Republic of China (China), filed in proper form on behalf of Cambria Company LLC (the petitioner). The AD Petition was accompanied by a countervailing duty (CVD) Petition concerning imports of quartz surface products from China (collectively, Petition). The petitioner is a domestic producer of quartz surface products.

<sup>&</sup>lt;sup>1</sup> See Petitioner's Letter, "Petitions for the Imposition of Antidumping Duties and Countervailing Duties: Certain Quartz Surface Products from the People's Republic of China," dated April 17, 2018 (the Petition).

<sup>&</sup>lt;sup>2</sup> See Volume I of the Petition at 2.

On April 20, 26, and 30, 2018, Commerce requested supplemental information pertaining to certain aspects of the Petition.<sup>3</sup> The petitioner responded to these requests on April 24 and 30, and May 1, 2018, respectively.<sup>4</sup> On May 1, 2018, we received comments on industry support and a polling request from M S International, Inc. (MSI), a U.S. importer.<sup>5</sup> On May 3, 2018, the petitioner provided a response to MSI's comments on industry support.<sup>6</sup> On May 4, 2018, MSI submitted comments on the petitioner's Industry Support Supplement.<sup>7</sup>

In accordance with section 732(b) of the Tariff Act of 1930, as amended (the Act), the petitioner alleges that imports of quartz surface products from China are being, or are likely to be, sold in the United States at less than fair value within the meaning of section 731 of the Act, and that such imports are materially injuring, or threatening material injury to, the domestic industry producing quartz surface products in the United States. Consistent with section 732(b)(1) of the Act, the Petition is accompanied by information reasonably available to the petitioner supporting its allegation.

<sup>&</sup>lt;sup>3</sup> See Commerce Letter re: Petition for the Imposition of Antidumping Duties on Imports of Certain Quartz Surface Products from the People's Republic of China: Supplemental Questions, dated April 20, 2018; Memoranda re: Petitions for the Imposition of Antidumping and Countervailing Duties on Imports of Certain Quartz Surface Products from the People's Republic of China, dated April 27, 2018, and re: Petitions for the Imposition of Antidumping and Countervailing Duties on Imports of Certain Quartz Surface Products from the People's Republic of China, dated May 1, 2018.

<sup>&</sup>lt;sup>4</sup> See Petitioner's Letters, "Certain Quartz Surface Products from the People's Republic of China: Response to Supplemental Questions - Antidumping," dated April 24, 2018 (AD Supplement); "Certain Quartz Surface Products from the People's Republic of China: Responses to Supplemental Questions - General Issues," dated April 24, 2018 (General Issues Supplement); "Certain Quartz Surface Products from the People's Republic of China: Response to Supplemental Questions - Antidumping," dated April 30, 2018 (Second Supplement); and "Certain Quartz Surface Products from the People's Republic of China: Response to Supplemental Questions re: Scope," dated May 1, 2018 (Scope Supplement).

<sup>(</sup>Scope Supplement). <sup>5</sup> *See* letter from M S International, Inc., "Quartz Surface Products from the People's Republic of China: Comments on the Lack of Standing of the Petitioner and Requests for Action," dated May 1, 2018 (M S International Standing Challenge).

<sup>&</sup>lt;sup>6</sup> See petitioner's letter, "Certain Quartz Surface Products from the People's Republic of China: Petitioner's Response to MSI's Comments on Standing," dated May 3, 2018 (Industry Support Supplement).

<sup>&</sup>lt;sup>7</sup> See letter from M S International, Inc., "Antidumping and Countervailing Duty Investigations of Quartz Surface Products from the People's Republic of China: Reply to Petitioner's Comments on Lack of Standing," dated May 4, 2018 (Second M S International Standing Challenge).

Commerce finds that the petitioner filed the Petition on behalf of the domestic industry because the petitioner is an interested party as defined in section 771(9)(C) of the Act.

Commerce also finds that the petitioner demonstrated sufficient industry support with respect to the initiation of the AD investigation that the petitioner is requesting.<sup>8</sup>

## Period of Investigation

Because China is a non-market economy (NME) country, pursuant to 19 CFR 351.204(b)(1), the period of investigation (POI) is October 1, 2017, through March 31, 2018.

Scope of the Investigation

The products covered by this investigation are quartz surface products from China. For a full description of the scope of this investigation, *see* the Appendix to this notice.

## Scope Comments

During our review of the Petition, Commerce issued questions to, and received responses from, the petitioner pertaining to the proposed scope to ensure that the scope language in the Petition is an accurate reflection of the products for which the domestic industry is seeking relief.<sup>9</sup> As a result of these exchanges, the scope of the Petition was modified to clarify the description of merchandise covered by the Petition. The description of the merchandise covered by this initiation, as described in the Appendix to this notice, reflects these clarifications.

As discussed in the preamble to Commerce's regulations, we are setting aside a period for interested parties to raise issues regarding product coverage (scope). Commerce will consider all comments received from interested parties and, if necessary, will consult with interested parties prior to the issuance of the preliminary determination. If scope comments

<sup>&</sup>lt;sup>8</sup> See the "Determination of Industry Support for the Petition" section, infra.

<sup>&</sup>lt;sup>9</sup> See General Issues Supplement at 2-6 and Exhibit 2; see also Second Supplement at 1 and Supplemental Exhibit I-1; and Scope Supplement at Exhibit 1.

<sup>&</sup>lt;sup>10</sup> See Antidumping Duties; Countervailing Duties, Final Rule, 62 FR 27296, 27323 (May 19, 1997).

include factual information,<sup>11</sup> all such factual information should be limited to public information. To facilitate preparation of its questionnaires, Commerce requests that all interested parties submit such comments by 5:00 p.m. Eastern Time (ET) on May 29, 2018, which is the next business day after 20 calendar days from the signature date of this notice.<sup>12</sup> Any rebuttal comments, which may include factual information, must be filed by 5:00 p.m. ET on June 7, 2018, which is 10 calendar days from the initial comments deadline.

Commerce requests that any factual information parties consider relevant to the scope of the investigation be submitted during this period. However, if a party subsequently finds that additional factual information pertaining to the scope of the investigation may be relevant, the party may contact Commerce and request permission to submit the additional information. All such submissions must be filed on the records of each of the concurrent AD and CVD investigations.

## Filing Requirements

All submissions to Commerce must be filed electronically using Enforcement and Compliance's Antidumping Duty and Countervailing Duty Centralized Electronic Service System (ACCESS).<sup>13</sup> An electronically-filed document must be received successfully in its entirety by the time and date it is due. Documents exempted from the electronic submission requirements must be filed manually (*i.e.*, in paper form) with Enforcement and Compliance's APO/Dockets Unit, Room 18022, U.S. Department of Commerce, 1401 Constitution Avenue,

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<sup>&</sup>lt;sup>11</sup> See 19 CFR 351.102(b)(21) (defining "factual information").

<sup>&</sup>lt;sup>12</sup> See 19 CFR 351.303(b).

<sup>&</sup>lt;sup>13</sup> See Antidumping and Countervailing Duty Proceedings: Electronic Filing Procedures; Administrative Protective Order Procedures, 76 FR 39263 (July 6, 2011); see also Enforcement and Compliance; Change of Electronic Filing System Name, 79 FR 69046 (November 20, 2014) for details of Commerce's electronic filing requirements, effective August 5, 2011. Information on help using ACCESS can be found at https://access.trade.gov/help.aspx and a handbook can be found at

https://access.trade.gov/help/Handbook%20on%20Electronic%20Filling%20Procedures.pdf.

NW, Washington, DC 20230, and stamped with the date and time of receipt by the applicable deadlines.

## Comments on Product Characteristics for AD Questionnaires

Commerce is providing interested parties an opportunity to comment on the appropriate physical characteristics of quartz surface products to be reported in response to Commerce's AD questionnaires. This information will be used to identify the key physical characteristics of the merchandise under consideration in order to report the relevant factors of production accurately, as well as to develop appropriate product-comparison criteria.

Interested parties may provide any information or comments that they feel are relevant to the development of an accurate list of physical characteristics. In order to consider the suggestions of interested parties in developing and issuing the AD questionnaire, all product characteristics comments must be filed by 5:00 p.m. ET on May 29, 2018, which is the next business day after 20 calendar days from the signature date of this notice. Any rebuttal comments must be filed by 5:00 p.m. ET on June 5, 2018. All comments and submissions to Commerce must be filed electronically using ACCESS, as explained above, on the record of the China less-than-fair-value investigation.

#### Determination of Industry Support for the Petition

Section 732(b)(1) of the Act requires that a petition be filed on behalf of the domestic industry. Section 732(c)(4)(A) of the Act provides that a petition meets this requirement if the domestic producers or workers who support the petition account for: (i) at least 25 percent of the total production of the domestic like product; and (ii) more than 50 percent of the production of the domestic like product produced by that portion of the industry expressing support for, or

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<sup>&</sup>lt;sup>14</sup> See 19 CFR 351.303(b).

opposition to, the petition. Moreover, section 732(c)(4)(D) of the Act provides that, if the petition does not establish support of domestic producers or workers accounting for more than 50 percent of the total production of the domestic like product, Commerce shall: (i) poll the industry or rely on other information in order to determine if there is support for the petition, as required by subparagraph (A); or (ii) determine industry support using a statistically valid sampling method to poll the "industry."

Section 771(4)(A) of the Act defines the "industry" as the producers as a whole of a domestic like product. Thus, to determine whether a petition has the requisite industry support, the statute directs Commerce to look to producers and workers who produce the domestic like product. The International Trade Commission (ITC), which is responsible for determining whether "the domestic industry" has been injured, must also determine what constitutes a domestic like product in order to define the industry. While both Commerce and the ITC must apply the same statutory definition regarding the domestic like product, <sup>15</sup> they do so for different purposes and pursuant to a separate and distinct authority. In addition, Commerce's determination is subject to limitations of time and information. Although this may result in different definitions of the like product, such differences do not render the decision of either agency contrary to law. <sup>16</sup>

Section 771(10) of the Act defines the domestic like product as "a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation under this title." Thus, the reference point from which the domestic like product

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<sup>&</sup>lt;sup>15</sup> See section 771(10) of the Act.

<sup>&</sup>lt;sup>16</sup> See USEC, Inc. v. United States, 132 F. Supp. 2d 1, 8 (CIT 2001) (citing Algoma Steel Corp., Ltd. v. United States, 688 F. Supp. 639, 644 (CIT 1988), aff'd 865 F.2d 240 (Fed. Cir. 1989)).

analysis begins is "the article subject to an investigation" (*i.e.*, the class or kind of merchandise to be investigated, which normally will be the scope as defined in the petition).

With regard to the domestic like product, the petitioner does not offer a definition of the domestic like product distinct from the scope of the investigation.<sup>17</sup> Based on our analysis of the information submitted on the record, we have determined that quartz surface products, as defined in the scope, constitute a single domestic like product, and we have analyzed industry support in terms of that domestic like product.<sup>18</sup>

In determining whether the petitioner has standing under section 732(c)(4)(A) of the Act, we considered the industry support data contained in the Petition with reference to the domestic like product as defined in the "Scope of the Investigation," in the Appendix to this notice. To establish industry support, the petitioner provided its own production of the domestic like product in 2017 and compared this to the estimated total production of the domestic like product for the entire domestic industry. We relied on data the petitioner provided for purposes of measuring industry support. <sup>20</sup>

In a letter dated May 1, 2018, MSI, a U.S. importer, submitted comments on industry support and requested that Commerce poll the industry to determine industry support.<sup>21</sup> The petitioner responded to these comments in the Industry Support Supplement, dated May 3, 2018. In a letter dated May 4, 2018, MSI submitted comments on the petitioner's Industry Support

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<sup>&</sup>lt;sup>17</sup> See Volume I of the Petition at 13.

<sup>&</sup>lt;sup>18</sup> For a discussion of the domestic like product analysis as applied to this case and information regarding industry support, *see* Initiation Checklist), at Attachment II, Analysis of Industry Support for the Antidumping and Countervailing Duty Petitions Covering Certain Quartz Surface Products from the People's Republic of China (Attachment II). This checklist is dated concurrently with this notice and on file electronically via ACCESS. Access to documents filed via ACCESS is also available in the Central Records Unit, Room B8024 of the main Department of Commerce building.

<sup>&</sup>lt;sup>19</sup> See Volume I of the Petition at 3 and Exhibit I-3; see also General Issues Supplement at 13-14 and Exhibit 15. <sup>20</sup> Id. at 3 and Exhibit I-3; see also General Issues Supplement at 13-14 and Exhibit 15; see also Industry Support Supplement at 3 and Exhibit 1. For further discussion, see Initiation Checklist at Attachment II.

<sup>&</sup>lt;sup>21</sup> See M S International Standing Challenge.

Supplement.<sup>22</sup> For further discussion of these comments, *see* Attachment II of the Initiation Checklist.

Our review of the data provided in the Petition, the General Issues Supplement, Industry Support Supplement, and other information readily available to Commerce indicates that the petitioner has established industry support for the Petition.<sup>23</sup> First, the Petition established support from domestic producers (or workers) accounting for more than 50 percent of the total production of the domestic like product and, as such, Commerce is not required to take further action in order to evaluate industry support (e.g., polling).<sup>24</sup> Second, the domestic producers (or workers) have met the statutory criteria for industry support under section 732(c)(4)(A)(i) of the Act because the domestic producers (or workers) who support the Petition account for at least 25 percent of the total production of the domestic like product.<sup>25</sup> Finally, the domestic producers (or workers) have met the statutory criteria for industry support under section 732(c)(4)(A)(ii) of the Act because the domestic producers (or workers) who support the Petition account for more than 50 percent of the production of the domestic like product produced by that portion of the industry expressing support for, or opposition to, the Petition. 26 Accordingly, Commerce determines that the Petition was filed on behalf of the domestic industry within the meaning of section 732(b)(1) of the Act.

Commerce finds that the petitioner filed the Petition on behalf of the domestic industry because it is an interested party as defined in section 771(9)(C) of the Act, and it has demonstrated sufficient industry support with respect to the AD investigation that it is requesting

<sup>&</sup>lt;sup>22</sup> See Second M S International Standing Challenge.

<sup>&</sup>lt;sup>23</sup> See Volume I of the Petition, at 3 and Exhibit I-3; see also General Issues Supplement at 13-14 and Exhibit 15; see also Industry Support Supplement at 3 and Exhibit 1. For further discussion, see Initiation Checklist at Attachment II.

<sup>&</sup>lt;sup>24</sup> *Id.*; see also section 732(c)(4)(D) of the Act.

<sup>&</sup>lt;sup>25</sup> See Initiation Checklist at Attachment II.

 $<sup>^{26}</sup>$  *Id*.

that Commerce initiate.<sup>27</sup>

# Allegations and Evidence of Material Injury and Causation

The petitioner alleges that the U.S. industry producing the domestic like product is being materially injured, or is threatened with material injury, by reason of the imports of the subject merchandise sold at less than normal value (NV). In addition, the petitioner alleges that subject imports exceed the negligibility threshold provided for under section 771(24)(A) of the Act.<sup>28</sup>

The petitioner contends that the industry's injured condition is illustrated by a significant and increasing volume of subject imports; reduced market share; underselling and price depression or suppression; lost sales and lost revenues; negative effects on the existing product development and production efforts of the domestic industry; and negative impact on the domestic industry's financial and operating indicators, such as sales, profits, return on investment, cash flow, capacity utilization, and employment. We have assessed the allegations and supporting evidence regarding material injury, threat of material injury, and causation, and we have determined that these allegations are properly supported by adequate evidence, and meet the statutory requirements for initiation. 30

## Allegations of Sales at Less Than Fair Value

The following is a description of the allegations of sales at less than fair value upon which Commerce based its decision to initiate an AD investigation of imports of quartz surface products from China. The sources of data for the deductions and adjustments relating to U.S. price and NV are discussed in greater detail in the Initiation Checklist.

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<sup>&</sup>lt;sup>28</sup> See General Issues Supplement at 14-15 and Exhibit 16.

<sup>&</sup>lt;sup>29</sup> See Volume I of the Petition at 10-30 and Exhibits I-3 and I-9 through I-19; see also General Issues Supplement at 14-15 and Exhibits 16 through 18.

<sup>&</sup>lt;sup>30</sup> See Initiation Checklist at Attachment III, Analysis of Allegations and Evidence of Material Injury and Causation for the Antidumping and Countervailing Duty Petitions Covering Certain Quartz Surface Products from the People's Republic of China.

# **Export Price**

The petitioner based export price (EP) on quoted offer prices for quartz surface products produced in China.<sup>31</sup> The petitioner made no deductions from U.S. price.<sup>32</sup>

#### Normal Value

Commerce considers China to be an NME country.<sup>33</sup> In accordance with section 771(18)(C)(i) of the Act, any determination that a foreign country is an NME country shall remain in effect until revoked by Commerce. Therefore, we continue to treat China as an NME country for purposes of the initiation of this investigation. Accordingly, NV in China is appropriately based on factors of production (FOPs) valued in a surrogate market economy country, in accordance with section 773(c) of the Act.<sup>34</sup>

The petitioner claims that Mexico is an appropriate surrogate country for China because it is a market economy country that is at a level of economic development comparable to that of China, it is a significant producer of comparable merchandise, and public information is available to value factor input costs.<sup>35</sup> The petitioner provided publicly available information from Mexico to value all FOPs.<sup>36</sup> Based on the information provided by the petitioner, we determine that it is appropriate to use Mexico as the primary surrogate country for initiation purposes.

<sup>&</sup>lt;sup>31</sup> See Initiation Checklist.

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<sup>&</sup>lt;sup>33</sup> See Antidumping Duty Investigation of Certain Aluminum Foil from the People's Republic of China: Affirmative Preliminary Determination of Sales at Less-Than-Fair Value and Postponement of Final Determination, 82 FR 50858, 50861 (November 2, 2017) (citing Memorandum to Gary Taverman, "China's Status as a Non-Market Economy," dated October 26, 2017), unchanged in Certain Aluminum Foil from the People's Republic of China: Final Determination of Sales at Less Than Fair Value, 83 FR 9282 (March 5, 2018).

<sup>&</sup>lt;sup>34</sup> See Initiation Checklist.

<sup>&</sup>lt;sup>35</sup> See Volume II of the Petition at 2-5.

<sup>&</sup>lt;sup>36</sup> *Id.* at 7 and Exhibit II-11; *see also* AD Supplement at Exhibits II-11(D) and II-11(E); and Second Supplement at 4-5 and Exhibits II-11(D) and II-11(J)(1).

Interested parties will have the opportunity to submit comments regarding surrogate country selection and, pursuant to 19 CFR 351.301(c)(3)(i), will be provided an opportunity to submit publicly available information to value FOPs within 30 days before the scheduled date of the preliminary determination.

## Factors of Production

Because information regarding the FOPs and volume of inputs consumed by Chinese producers/exporters was not reasonably available, the petitioner used its own product-specific consumption rates to estimate the Chinese manufacturers' FOPs.<sup>37</sup> The petitioner valued the estimated FOPs using surrogate values from Mexico, as noted above.<sup>38</sup> Where appropriate, the petitioner used the average POI exchange rate to convert the data to U.S. dollars.<sup>39</sup>

## Fair Value Comparisons

Based on the data provided by the petitioner, there is reason to believe that imports of quartz surface products from China are being, or are likely to be, sold in the United States at less than fair value. Based on comparisons of EP to NV in accordance with sections 772 and 773 of the Act, the estimated dumping margins for quartz surface products from China range from 303.38 percent to 336.69 percent.<sup>40</sup>

#### Initiation of Less-than-Fair-Value Investigation

Based upon the examination of the Petition, we find that the Petition meets the requirements of section 732 of the Act. Therefore, we are initiating an AD investigation to determine whether imports of quartz surface products from China are being, or are likely to be,

<sup>&</sup>lt;sup>37</sup> *Id.* at Exhibit II-11 at Attachments A and B.

<sup>&</sup>lt;sup>38</sup> *Id.* at Exhibit II-11; *see also* AD Supplement at Exhibits II-11(D) and II-11(E); and Second Supplement at 2-4 and Exhibits II-11(D) through II-11(J)(1).

<sup>&</sup>lt;sup>39</sup> See Second Supplement at 2 and Exhibits II-11(K) and II-11(I)(1).

<sup>&</sup>lt;sup>40</sup> See Initiation Checklist.

sold in the United States at less than fair value. In accordance with section 733(b)(1)(A) of the Act and 19 CFR 351.205(b)(1), unless postponed, we will make our preliminary determination no later than 140 days after the date of this initiation.

# Respondent Selection

The petitioner named 308 companies in China as producers/exporters of quartz surface products. After considering our resources, Commerce has determined that we do not have sufficient administrative resources to issue quantity and value (Q&V) questionnaires to all 308 identified producers and exporters. Therefore, Commerce has determined to limit the number of Q&V questionnaires we will send out to exporters and producers identified in U.S. Customs and Border Protection (CBP) data for U.S. imports of quartz surface products during the POI under the appropriate Harmonized Tariff Schedule of the United States number listed in the "Scope of the Investigation," in the Appendix. Accordingly, Commerce will send Q&V questionnaires based on producers and exporters that are identified in the Petition and that also appear in the CBP data.

On April 30, 2018, Commerce released CBP data under administrative protective order (APO) to all parties with access to information protected by APO and indicated that interested parties wishing to comment on the CBP data must do so within three business days of the publication date of the notice of initiation of this AD investigation. We further stated that we will not accept rebuttal comments. 43

In addition, Commerce will post the Q&V questionnaire along with filing instructions on the Enforcement and Compliance website at http://www.trade.gov/enforcement/news.asp. In

 $^{43}$  *Id*.

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<sup>&</sup>lt;sup>41</sup> See General Issues Supplement at 1-2 and Exhibit 1.

<sup>&</sup>lt;sup>42</sup> See Memorandum, "Certain Quartz Surface Products from China Antidumping Duty Petition: Release of Customs Data from U.S. Customs and Border Protection," dated April 30, 2018.

accordance with our standard practice for respondent selection in AD cases involving NME countries, we intend to base respondent selection on the responses to the Q&V questionnaire that we receive.

Producers/exporters of quartz surface products that do not receive Q&V questionnaires by mail may still submit a response to the Q&V questionnaire and can obtain a copy of the Q&V questionnaire from Enforcement & Compliance's website. The Q&V response must be submitted by the relevant Chinese exporters/producers no later than 5:00 p.m. ET on May 21, 2018. All Q&V responses must be filed electronically via ACCESS.

### Separate Rates

In order to obtain separate-rate status in an NME investigation, exporters and producers must submit a separate-rate application. <sup>44</sup> The specific requirements for submitting a separate-rate application in this investigation are outlined in detail in the application itself, which is available on Commerce's web site at http://enforcement.trade.gov/nme/nme-sep-rate.html. The separate-rate application will be due 30 days after publication of this initiation notice. <sup>45</sup> Exporters and producers who submit a separate-rate application and have been selected as mandatory respondents will be eligible for consideration for separate-rate status only if they respond to all parts of Commerce's AD questionnaire as mandatory respondents. Commerce requires that companies from China submit a response to both the Q&V questionnaire and the separate-rate application by the respective deadlines in order to receive consideration for separate-rate status. Companies not filing a timely Q&V response will not receive separate-rate consideration.

### <u>Use of Combination Rates</u>

Commerce will calculate combination rates for certain respondents that are eligible for a separate rate in an NME investigation. The Separate Rates and Combination Rates Bulletin states:

{w}hile continuing the practice of assigning separate rates only to exporters, all separate rates that the Department will now assign in its NME Investigation will be specific to those producers that supplied the exporter during the period of investigation. Note, however, that one rate is calculated for the exporter and all of the producers which supplied subject merchandise to it during the period of

<sup>&</sup>lt;sup>44</sup> *See* Policy Bulletin 05.1: Separate-Rates Practice and Application of Combination Rates in Antidumping Investigation involving Non-Market Economy Countries (April 5, 2005), available at http://enforcement.trade.gov/policy/bull05-1.pdf (Policy Bulletin 05.1).

<sup>&</sup>lt;sup>45</sup> Although in past investigations this deadline was 60 days, consistent with 19 CFR 351.301(a), which states that "the Secretary may request any person to submit factual information at any time during a proceeding," this deadline is now 30 days.

investigation. This practice applies both to mandatory respondents receiving an individually calculated separate rate as well as the pool of non-investigated firms receiving the weighted-average of the individually calculated rates. This practice is referred to as the application of "combination rates" because such rates apply to specific combinations of exporters and one or more producers. The cash-deposit rate assigned to an exporter will apply only to merchandise both exported by the firm in question and produced by a firm that supplied the exporter during the period of investigation.<sup>46</sup>

## Distribution of Copies of the Petition

In accordance with section 732(b)(3)(A)(i) of the Act and 19 CFR 351.202(f), copies of the public version of the Petition have been provided to the government of China via ACCESS. To the extent practicable, we will attempt to provide a copy of the public version of the Petition to each exporter named in the Petition, as provided under 19 CFR 351.203(c)(2).

## **ITC Notification**

We will notify the ITC of our initiation, as required by section 732(d) of the Act.

## Preliminary Determination by the ITC

The ITC will preliminarily determine, within 45 days after the date on which the Petition was filed, whether there is a reasonable indication that imports of quartz surface products from China are materially injuring or threatening material injury to a U.S. industry. A negative ITC determination will result in the investigation being terminated.<sup>47</sup> Otherwise, the investigation will proceed according to statutory and regulatory time limits.

#### Submission of Factual Information

Factual information is defined in 19 CFR 351.102(b)(21) as: (i) evidence submitted in response to questionnaires; (ii) evidence submitted in support of allegations; (iii) publicly available information to value factors under 19 CFR 351.408(c) or to measure the adequacy of

<sup>&</sup>lt;sup>46</sup> See Policy Bulletin 05.1 at 6 (emphasis added).

remuneration under 19 CFR 351.511(a)(2); (iv) evidence placed on the record by Commerce; and (v) evidence other than factual information described in (i)–(iv). 19 CFR 351.301(b) requires any party, when submitting factual information, to specify under which subsection of 19 CFR 351.102(b)(21) the information is being submitted<sup>48</sup> and, if the information is submitted to rebut, clarify, or correct factual information already on the record, to provide an explanation identifying the information already on the record that the factual information seeks to rebut, clarify, or correct.<sup>49</sup> Time limits for the submission of factual information are addressed in 19 CFR 351.301, which provides specific time limits based on the type of factual information being submitted. Interested parties should review the regulations prior to submitting factual information in this investigation.

## **Extensions of Time Limits**

Parties may request an extension of time limits before the expiration of a time limit established under 19 CFR 351.301, or as otherwise specified by the Secretary. In general, an extension request will be considered untimely if it is filed after the expiration of the time limit established under 19 CFR 351.301. For submissions that are due from multiple parties simultaneously, an extension request will be considered untimely if it is filed after 10:00 a.m. ET on the due date. Under certain circumstances, we may elect to specify a different time limit by which extension requests will be considered untimely for submissions which are due from multiple parties simultaneously. In such a case, we will inform parties in the letter or memorandum setting forth the deadline (including a specified time) by which extension requests must be filed to be considered timely. An extension request must be made in a separate, standalone submission; under limited circumstances we will grant untimely-filed requests for the

<sup>&</sup>lt;sup>48</sup> See 19 CFR 351.301(b). <sup>49</sup> See 19 CFR 351.301(b)(2).

extension of time limits. Parties should review *Extension of Time Limits; Final Rule*, 78 FR 57790 (September 20, 2013), available at <a href="http://www.gpo.gov/fdsys/pkg/FR-2013-09-20/html/2013-22853.htm">http://www.gpo.gov/fdsys/pkg/FR-2013-09-20/html/2013-22853.htm</a>, prior to submitting factual information in this investigation.

Certification Requirements

Any party submitting factual information in an AD or CVD proceeding must certify to the accuracy and completeness of that information.<sup>50</sup> Parties must use the certification formats provided in 19 CFR 351.303(g).<sup>51</sup> Commerce intends to reject factual submissions if the submitting party does not comply with the applicable certification requirements.

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<sup>&</sup>lt;sup>50</sup> See section 782(b) of the Act.

<sup>&</sup>lt;sup>51</sup> See also Certification of Factual Information to Import Administration During Antidumping and Countervailing Duty Proceedings, 78 FR 42678 (July 17, 2013) (Final Rule). Answers to frequently asked questions regarding the Final Rule are available at <a href="http://enforcement.trade.gov/tlei/notices/factual">http://enforcement.trade.gov/tlei/notices/factual</a> info final rule FAQ 07172013.pdf.

## Notification to Interested Parties

Interested parties must submit applications for disclosure under APO in accordance with 19 CFR 351.305. On January 22, 2008, Commerce published *Antidumping and Countervailing Duty Proceedings: Documents Submission Procedures; APO Procedures*, 73 FR 3634 (January 22, 2008). Parties wishing to participate in this investigation should ensure that they meet the requirements of these procedures (*e.g.*, the filing of letters of appearance as discussed at 19 CFR 351.103(d)).

This notice is issued and published pursuant to sections 732(c)(2) and 777(i) of the Act, and 19 CFR 351.203(c).

Dated: May 7, 2018.

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Gary Taverman,
Deputy Assistant Secretary
for Antidumping and Countervailing Duty Operations,
performing the non-exclusive functions and duties of the
Assistant Secretary for Enforcement and Compliance.

### **Appendix**

## **Scope of the Investigation**

The merchandise covered by the investigation is certain quartz surface products.<sup>52</sup> Ouartz surface products consist of slabs and other surfaces created from a mixture of materials that includes predominately silica (e.g., quartz, quartz powder, cristobalite) as well as a resin binder (e.g., an unsaturated polyester). The incorporation of other materials, including, but not limited to, pigments, cement, or other additives does not remove the merchandise from the scope of the investigation. However, the scope of the investigation only includes products where the silica content is greater than any other single material, by actual weight. Quartz surface products are typically sold as rectangular slabs with a total surface area of approximately 45 to 60 square feet and a nominal thickness of one, two, or three centimeters. However, the scope of this investigation includes surface products of all other sizes, thicknesses, and shapes. In addition to slabs, the scope of this investigation includes, but is not limited to, other surfaces such as countertops, backsplashes, vanity tops, bar tops, work tops, tabletops, flooring, wall facing, shower surrounds, fire place surrounds, mantels, and tiles. Certain quartz surface products are covered by the investigation whether polished or unpolished, cut or uncut, fabricated or not fabricated, cured or uncured, edged or not edged, finished or unfinished, thermoformed or not thermoformed, packaged or unpackaged, and regardless of the type of surface finish.

In addition, quartz surface products are covered by the investigation whether or not they are imported attached to, or in conjunction with, non-subject merchandise such as sinks, sink bowls, vanities, cabinets, and furniture. If quartz surface products are imported attached to, or in conjunction with, such non-subject merchandise, only the quartz surface product is covered by the scope.

Subject merchandise includes material matching the above description that has been finished, packaged, or otherwise fabricated in a third country, including by cutting, polishing, curing, edging, thermoforming, attaching to, or packaging with another product, or any other finishing, packaging, or fabrication that would not otherwise remove the merchandise from the scope of the investigation if performed in the country of manufacture of the quartz surface products.

The scope of the investigation does not cover quarried stone surface products, such as granite, marble, soapstone, or quartzite. Specifically excluded from the scope of the investigation are crushed glass surface products. Crushed glass surface products are surface products in which the crushed glass content is greater than any other single material, by actual weight.

The products subject to the scope are currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) under the following subheading: 6810.99.0010. Subject merchandise may also enter under subheadings 6810.11.0010, 6810.11.0070, 6810.19.1200, 6810.19.1400, 6810.19.5000, 6810.91.0000, 6810.99.0080, 6815.99.4070, 2506.10.0010,

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<sup>&</sup>lt;sup>52</sup> Quartz surface products may also generally be referred to as engineered stone or quartz, artificial stone or quartz, agglomerated stone or quartz, synthetic stone or quartz, processed stone or quartz, manufactured stone or quartz, and Bretonstone®.

2506.10.0050, 2506.20.0010, 2506.20.0080. The HTSUS subheadings set forth above are provided for convenience and U.S. Customs purposes only. The written description of the scope is dispositive.

[FR Doc. 2018-10533 Filed: 5/15/2018 8:45 am; Publication Date: 5/16/2018]